



ARIZONA STATE RETIREMENT SYSTEM

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Paul Matson
Director

SUMMARY OF THE REGULAR MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM EXTERNAL AFFAIRS COMMITTEE

HELD ON
April 4, 2008
10 a.m., Arizona Time

The External Affairs Committee (EAC) of the Arizona State Retirement System (ASRS) met in regular session in the 14th Floor Conference Room of the ASRS Office, 3300 North Central Avenue, Phoenix, AZ, 85012. Mr. Jaime Gutierrez, Chairperson, called the meeting to order at 10:04 a.m. Arizona Time.

This meeting was teleconferenced to the ASRS Tucson office at 7660 East Broadway Boulevard, Suite 108, Tucson, Arizona, 85710.

1. Call to Order; Roll Call; Opening Remarks

Present: Mr. Jaime Gutierrez, Chair (teleconferenced)
Dr. Keith Meredith, Member (teleconferenced)
Mr. Jim McLaughlin, Member (teleconferenced)
Mr. Steven Zeman, Vice-Chair

A quorum of the Committee was present for the purpose of conducting business.

2. Approval of Minutes of the March 7, 2008 EAC Meeting

Mr. Gutierrez asked if there were any corrections or comments on the minutes of the March 7, 2008 EAC meeting. Mr. Gutierrez asked for a motion to approve the minutes.

Motion: Mr. Steve Zeman moved that the External Affairs Committee approve the minutes of the March 7, 2008 EAC meeting.

Mr. Jim McLaughlin seconded the motion.

By a vote of 4 in favor, 0 opposed, and 0 abstentions the motion was approved.

3. Presentation, Discussion, and Appropriate Action Regarding 2008 Legislative Issues

Ms. Lesli Sorensen, Government Relations Officer, presented and discussed the status of legislation for the 2008 Legislative Session. Legislation included:

ASRS Initiated Bills

- 1) **HB 2054** S/E: retirement systems; transfers; Passed House 3/19, Sen first read 3/20, second read 3/24; next stop: FIIR
- 2) **HB 2060** S/E: ASRS; benefits; compensation; Passed House 2/11, Sen first read 2/12, second read 2/26, FIIR HELD 3/10, FIIR HELD 3/31; next stop: FIIR
- 3) **HB 2061** ASRS; global security risk report; Passed House 2/26, Sen first read 2/27, second read 3/3, FIIR DPA 3-0-2; next stop: Rules

- 4) **HB 2127** ASRS; LTD; unclaimed monies; Passed House 3/26, Sen first read 3/27, second read 3/31; next stop: FIIR
- 5) **SB 1225** ASRS; federal conforming changes; Passed Senate 2/25, Hse first read 3/17, PIR DP 3/17, second read 3/18, Rules C&P 4/1, Consent 4/1; next stop: Third read

Other Bills Related to ASRS

- 6) **HB2053** S/E: State Treasurer; employees; background checks; Passed House 3/19, Sen first read 3/20, second read 3/24; next stop: FIIR 4/7
- 7) **HB 2056** PSPRS: global security risk; Passed House 3/3, Sen first read 3/4, second read 3/6, FIIR DPA 3/17, Rules PFC 3/24, Maj & Min Caucus Y; next stop: COW
- 8) **HB 2058** PSPRS; local boards; procedures; Passed House 3/3, Sen first read 3/4, FIIR DP 3/17; next stop: Rules
- 9) **HB 2059** PSPRS; health insurance subsidy; employer; Passed House 3/18, Sen first read 3/19, second read 3/20; next stop: FIIR 4/7
- 10) **HB 2116** CORP; joinders; credited service; Passed House 3/19, Sen first read 3/20, second read 3/24; next stop: FIIR 4/7
- 11) **HB 2117** CORP; judiciary; other designated positions; Passed House 3/26, Sen first read 3/27, second read 3/31; next stop: FIIR
- 12) **HB 2118** CORP; judiciary; other designated positions; Passed House 3/13, Sen first read 3/17, second read 3/18; next stop: FIIR; DEAD
- 13) **HB 2119** CORP; tribal dispatchers; detention officers; Passed House 3/18, Sen first read 3/19, second read 3/20; next stop: FIIR
- 14) **HB 2120** CORP; DPS detention officers; Passed House 3/19, Sen first read 3/20, second read 3/24; next stop: FIIR 4/7
- 15) **HB 2151** NOW: Iran; public fund divestment; First read 1/22, second read 1/23, GOV DPA/SE 3/4, Rules HELD 3/13, Rules C&P 3/18, Maj & Min Caucus Y 3/18, COW HELD 3/20, COW HELD 3/24, COW HELD 3/26, COW DPA 3/27, third read 3/31, Sen first read 4/1, second read 4/2; next stop: FIIR
- 16) **HB 2705** Sudan; investments; business operations; prohibition (also see SB 1366); CHAPTER 1
- 17) **SB 1030** S/E: PSPRS; medical personnel; service definition; Hse first read 3/4, second read 3/5; next stop PIR 4/7
- 18) **SB 1043** S/E: CORP; judiciary; other designated positions; Hse first read, second read 3/26, FII DPA/SE 3/31; next stop Rules
- 19) **SB 1151** S/E: PSRPS; investments; management; Hse first read 3/20, second read 3/24, HS DP 3/27, Referred to PIR 3/31; next stop PIR 4/7
- 20) **SB 1290** ASRS; benefits; normal retirement; refunds; first read 1/30, second read 1/31, FIIR DP 2/11, PFC; Consent 3/10, Maj & Min Caucus Y 3/11, third Read 3/13, Hse first read 3/25, second read 3/26, PIR FAILED 3/31
- 21) **SB 1489** NOW: divestments; terrorism countries; contract prohibition; Passed Senate 3/18, Hse first read 3/20, second read 3/24, PIR DP; next stop: APPROP
- 22) **SB 1499** state employee health benefits; dependents; first read 2/5, second read 2/12, FIIR DP 2/25, Rules PFC 3/3, Consent 3/3, Maj & Min Caucus Y 3/4, FAILED third read 3/18, Gorman motion to reconsider passed 3/19; next stop: third read

Bills that Failed to Pass

- 23) **HB 2029** CORP; Arizona state hospital employees; first read 1/22, second read 1/23, PIR DPA 2/4; next stop: APPROP; DEAD?
- 24) **HB 2043** NOW: FY 2007 2007-2008 state hiring; moratorium; first read 1/14, second read 1/15, third read 2/20, Sen first read 2/20, second read 2/21, APPROP DPA 3/4, Rules PFC 3/5, COW DPA 3/6, third read 3/6, transmit to House 3/7, Hse concur 3/11, Final Pass 3/12, transmit to Governor, VETOED 3/14
- 25) **HB 2062** ASRS; benefits; normal retirement; first read 1/22, second read 1/23, PIR HELD 2/11, PIR DPA 2/18, APPROP HELD 3/5, APPROP DPA 3/12, Rules C&P 3/19, COW HELD 3/24, COW DPA 3/26, FAILED third read 3/27; DEAD

- 26) **HB 2710** technical correction; defined contribution plan; first read 2/4, second read 2/5; next stop: Rules; DEAD
- 27) **HB 2743** registered domestic partnerships; first read 2/21, second read 2/25; next stop: JUD; DEAD
- 28) **SB 1040** ASRS; eligibility; substitute teachers; first read 1/14, second read 1/15; next stop: FIIR; DEAD
- 29) **SB 1217** CORP; ordinary disability; first read 1/28, second read 1/29; next stop: FIIR; DEAD, but see HB2117
- 30) **SB 1273** ASRS; payroll deduction agreements; transfers; first read 1/30, second read 1/31; next stop: FIIR; DEAD
- 31) **SB 1366** Sudan; investments; business operations; prohibition (also see HB 27056); first read 2/4, second read 2/5, CED DPA 2/13, rules PFC 2/18, Maj & Min Caucus Y 2/19, COW DPA 2/18, Substituted on third read for HB2705 3/5
- 32) **SB 1368** state retirement systems; domestic partners; first read 2/4, second read 2/5; next stop: FIIR; DEAD
- 33) **SB 1371** registered domestic partnerships; first read 2/4, second read 2/5; next stop: PSHS; DEAD
- 34) **SB 1411** Iran; investments; prohibition; first read 2/5, second read 2/7; next stop: FIIR; DEAD
- 35) **SB1444** public retirement systems; intersystem transfer; first read 2/5, second read 2/7; next stop: FIIR; DEAD
- 36) **SCR1009** public agency lobbyists; first read 1/17, second read 1/24, GOV HELD 2/4; DEAD

4. Presentation, Discussion, and Appropriate Action Regarding Future Rulemaking

Ms. Susanne Dobel informed the committee members of the potential for future proposed rule changes on RD-8-123, Actuarial Assumptions and Actuarial Value of Assets.

5. Future EAC Agenda Items

- 1) The next EAC meeting will be held May 2, 2008.
- 2) Continued discussion of the ASRS bills and other related bills.


6. Call to the Public Mr. Jaime Gutierrez

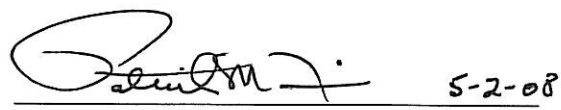
There were no comments from the public.

7. Adjournment of the ASRS External Affairs Committee

Mr. Gutierrez moved that the March 7, 2008 External Affairs Committee meeting be adjourned at 10:21 a.m.

Respectfully Submitted by,


Angela Sockwell Date
Committee Secretary


Patrick M. Klein Date
Assistant Director, External Affairs